

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

v. :

PENTAGON CAPITAL MANAGEMENT PLC :
and LEWIS CHESTER, :

Defendants, :

-and- :

PENTAGON SPECIAL PURPOSE FUND, LTD., :

Relief Defendant. :

Case No. 08-CV-03324 (RWS)
Rule 7.1 Statement

FINANCIAL INTEREST DISCLOSURE STATEMENT

Pursuant to Federal Rule of Civil Procedure 7.1 and to enable Judges and Magistrate Judges to evaluate possible disqualification or recusal, the undersigned counsel for Lewis Chester, Pentagon Capital Management, PLC and Pentagon Special Purpose Fund, Ltd., in the above captioned action, certifies that the following are parents, trusts, subsidiaries and/or affiliates of said party that have issued shares or debt securities to the public or own more than ten percent of the stock of the following:

The current sole shareholder of the Pentagon Special Purpose Fund Ltd ("PSPF") is Cape Investment Advisors Ltd. On this basis, Cape Investment Advisors Ltd is the parent company of PSPF. Current direct subsidiary of PSPF is AFC Holdings, Ltd ("AFC"). Current indirect subsidiary of PSPF is Frognal Trading, Ltd ("Frognal") because AFC owns 100% of the shares in Frognal.

Pentagon Capital Management PLC does not have any parents or subsidiaries.

5/14/08

Date

/s/ Frank C. Razzano

Signature of Attorney for Defendants, Lewis
Chester, Pentagon Capital Management,
PLC and Pentagon Special Purpose Fund,
Ltd.

Attorney Bar Code: FCR 8820